


**For:** FSA Offices

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**Transferring Farm Program Debts Over 10 Years Old to KCMO**

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**Approved by:** Acting Deputy Administrator, Management



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**1 Transferring Eligible Debts**

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**A**

**Background**

The Debt Collection Improvement Act of 1996 (DCIA) requires that eligible debts over 180 days delinquent be referred to the Department of Treasury for cross-servicing, a debt collection action. Under DCIA, debts that are over 10 years old are considered eligible debts for cross-servicing, even though these debts are no longer eligible for administrative offset or referral for litigation.

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**B**

**Purpose**

This notice provides that all eligible Farm Program debts over 10 years old and with a principal balance over \$170, shall immediately be transferred to KCMO for referral to the Department of Treasury's cross-servicing program.

Farm Loan Program debts over 10 years old will be addressed in a separate notice.

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**C**

**Actions**

In compliance with DCIA, State and County Offices shall:

- transfer eligible debts to KCMO
- ensure that all program documents are forwarded to KCMO.

KCMO shall refer these debts to the Department of Treasury for cross-servicing.

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**D**

**Contact**

Direct questions about this notice to KCMO, Debt Collection Branch, at 816-926-1941.

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Disposal Date	Distribution
May 1, 2000	All FSA Offices; State Offices relay to County Offices

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